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(b) (3)**Frank Lindsay****Interviewed by:**
26 July 2000

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I know you've talked, well, this morning, about things that I wanted to talk about, but, I'm sorry, I wasn't here. But I hope you don't mind going over...

FL: Not a bit.

...some of it. And I find chronologically is the best bet. If we could just begin with how you got into OSS in Cairo, and what happened after that—the highlights, maybe some lessons learned, or not learned...

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FL: All right.

[] ...as the case may be.

FL: Well.

[] I might add that one of the people I interviewed earlier was [] who was also recruited in Cairo when he was there with the State Department. He was a State Department courier. And then I served with Frank Wisner in London, when he was there...

FL: Oh, did you?

[] ...as COS. Yeah. So, and then, of course, I knew Carlton Swift, who was out in the other end of the world with Ho Chi Minh right after the War.

FL With what?

[] He was in Vietnam with Ho Chi Minh. So, anyway, we're in Cairo, and what happened?

FL: Well, [noise]

Yes, why don't we move on.

FL: Right. [location of interview moved] You asked about Cairo. And I had transferred from Iran, where I'd been for a year, to Cairo. On part of the Middle East American Command, which was very small there. And I can't remember how the first contacts were made, but I came to know some of the officers in OSS in Cairo. And one thing led to another, and I think they knew that I had an engineering degree. And I suspect that they thought that, "Well, anybody who has an engineering degree must know how to blow up bridges." And so, I can remember, sort of, conversations []. So they proposed that I transfer to OSS, and would I be interested in working behind the German lines, which required a little thinking about. But, having sort of raised the question, the answer was obvious, and so I did. And, what would you like? Just a chronological....

Yeah, I would say. With the high points. You didn't have too much training before being....

FL: About zero training.

Right. Right. And had you jumped before?

FL: No.

Evidently not.

FL: No. But the organization, which might be useful, was that General Donovan had made an arrangement with SOE General Govens (?), I suspect, that some OSS officers would be put into what was essentially a British mission in Yugoslavia, under Fitzrod McLean. It was not an Allied command. It was a British command. The British SOE ran the packing stations, the air operations. And so I spent time preparing with people in the SOE, mostly [redacted] who had been very close to Churchill, and had been the chief of staff, I guess one would call it, for Churchill's writing before World War II, and, after the War, did the same function for Churchill's History of World War II. And Bill had been parachuted to Tito's command at a time they were under...surrounded by the Germans under severe pressure. And they'd finally broken out. And he had come out to be the, I guess, the desk officer in Cairo. And he was probably the most useful person to talk to, because he'd been there on the ground. My operation, or my assignment, was to join a partisan group, or go to a partisan group, on the Austrian border in an area which had been annexed by Hitler. So we would be operating directly inside the Third Reich. The...we had two options. One was to make a blind drop into this area, between the Sava and the Grava Rivers, or, ultimately, to drop to a reception party south of the Sava, in what the Yugoslavs called liberated territory. And the decision was made by the British that it was too dangerous to make a blind drop, that there was no reception party...aircraft in those days flew on dead reckoning for about three hours, and they would have no idea, really, where they were without a reception party. So I parachuted...or made two dry runs. The first time there was ground fog, and no chance of picking up a signal from the ground. The second time there was a signal on the ground, which was a letter of the

day...a Morse code letter...flashed from the ground. But it was the wrong letter. And the aircraft commander said, "My order is nobody jumps without the reception being correct." So that was a failure.

I was then...we waited for a few days for weather. And they then assigned me to a Halifax...long-range Halifax bomber, which had been used to drop people into Poland. And the objective was, an hour or so later in time, over the target area, having missed twice, to be sure the third time I got in. And I don't know whether you're interested in little asides, but as I was climbing aboard this British bomber, and being helped with my...wedged my parachute through a tiny opening, the tail gunner said...I said to the tail gunner, "I've missed twice. I hope this time I make it." His response was, "Don't you worry, sir. Our captain never brings anybody back!" Went on. In fact, the reception went off satisfactorily. I then spent...had to wait probably ten days to two weeks at the Slovene Partisan headquarters.

You were by yourself? Nobody jumped with you?

FL: I had a radio operator...

Okay. Right.

FL: ...who later stayed on in CIA Communications. Made a career of it until he died. Well, I don't know...I've covered a fair amount of this in the book, and I don't know whether you want to go through it, or...

No. We can...

FL: ... river crossing.

I would say just sort of the highlights. You know, in the business with Mihajlovic and when you fellows started operating independent of the Brits toward the end, I think.

FL: In what?

When you were no longer under British control.

FL: Yes. Yes.

And some of the problems...the commo was probably difficult with Headquarters. And, I suppose, you weren't always getting what you wanted to get from the air, either. And since it was under British control, that made it a little tougher, too, I would think. Well, the Balkan Air Force was doing it, and they were all dropping stuff. They were all....

FL: The Balkan Air Force, as an organization, had not been formally designated until later. These were aircraft that were out of the...they were both British aircraft and American aircraft—B-17s, B-24s, and C-47s, which are much shorter range. Couldn't

reach us, but were very useful in central Yugoslavia. My designation was as an Allied Liaison Officer, and, I think, I included in the book the orders. So I won't repeat that. I was designated as the Senior Allied Officer in the area, and impressed that subject to orders I received from others, that Allied operations were all under my control. And I'll diverge a bit while I think of it. One of the major problems was that several intelligence organizations, wanting to have their own pin on a map, would drop people to us, at first without clearing with me. But some came down without documents, designated to penetrate Austria, since we were the nearest point...we were actually closer to Berlin than we were to our bases, and this is a point for penetration sending agents in. The only really, I guess, successful, or at least I assume successful, is an Austrian came down one night. And he was on his way to Vienna to...as a courier to Cardinal Henitzer in Vienna. And he had brought his documents, his priest clothing, which he put on, walked down to the railway station, took a train to Vienna, and that's the last I heard of him. I've often wondered since whether the records ever showed up, whether he got there or not. But he was a very interesting, very engaging person. He spent three or four days with us. But most people who were sent in to penetrate into the Reich itself came without documents, and there was no possibility that we could provide documents. And I kept sending back messages, "Do not send anyone in without complete documentation." Also, various forces wanted to have their man on the ground. And my strong feeling was that there was about all...there was no reason why all of the independent agencies, including A-Force which was concerned with escape and evasion, a separate Austrian desk, another man for evacuation and escapees, and POWs, downed airmen, that we were...our security was in constant movement. This was a very real problem to protect more than two or three

people. And it was unnecessary. But this is one of the frustrations in the battle that continued. As I say, various agencies wanted to have their own pin on the map. So I'm diverting...maybe...I take it you've had a look at the book.

Yeah. But not recently. Unfortunately, I couldn't get it when I wanted it. But, that's all right. We won't have to go over everything in the book, by all means. But, how is the communications with the partisans, in terms of, did they have English, or was it difficult...?

FL: I used...I was assigned a liaison officer, a young lieutenant who'd been a student at, I guess, Belgrade University. He spoke poor English. And I spoke poor German. But we got along together all right. It was troublesome in the sense of his...I never fully trusted his interpretations. Our relationships at first were very good. My immediate objective was to cut the main double track lines south from Vienna, which branched at the Sava River. And one branch went down the central Balkans, the other went to northeastern Italy, and was used as a major transfer point for troops being shifted from the Balkans to the eastern front, to the western front, to the Italian front. At first, the partisans were very cooperative. And our operations were moderately successful. We had the main span, the northern branch of the line closed for six weeks. Later on we closed in the fall of '44 the western branch leading to, over to Italy. We closed from, for six months...from the first of September until I left the area in early December to go to the partisan headquarters. I can go into details of demolitions, of that sort of work. I can talk about partisan relations.

I suppose, at least one of the most important things to me, was realizing the fundamental difference between the war in Italy, which was fought by foreign armies, all supplied from their home nations with an organized society, with drafts, with taxation systems...they fought the length of Italy. The only role for the Italians was to get the hell out of the way. While a hundred miles away, across the Adriatic, Communist partisans found themselves essentially on their own in the forest. And they had to create not only a military forest, but a total structure to support that, which, in comparison with Italy, was provided by firmly-organized governments and supply lines. They had to build their structure. They had to develop their security, penetrations, the intelligence screens, their supplies, their recruits. They initially got all their weapons from the Germans. And when we began to supply them, we supplied them with German weapons rather than Western—British or American—weapons. Well, other than some weapons, which were unusual. But it simplified greatly the supply problem. And there were large stocks of German captured weapons from North Africa. So that this was a good decision, to keep them supplied with German weapons. And, to some degree, Italian. In the political sense, the relationships during the summer months were unusually good. But about the first of September, all of a sudden, the relations turned very cold and sour. I was literally under house arrest in a tiny farm house for four or five days. I came out of the house one morning, and my courier guard with his submachine gun blocked my way. He was essentially assigned for my protection, not....And I demanded to see the Commissar. And three or four days went on, and I was totally isolated. I couldn't imagine what had happened. I thought I had inadvertently said something that they had taken offense at, or something had happened. And later I was told, when I came out, that others with

partisan—other partisan—groups, hadn't had exactly the same experience...they'd had similar experiences, and reported them almost simultaneously. I believed then, and I guess still believe, that what had happened was the breakthrough in France had occurred. It looked as though the War would be over in the fall of '44. Patton and the other armies were driving into France. The partisans had their own civil war going on. And they essentially stopped fighting. They buried the guns that were sent to us, and having pleaded for more guns and weapons, and we were doing a great job, or they're...we finally convinced each echelon of the command that this is the thing to do. They assigned more and more aircraft to our supply operations at just the time when they stopped fighting, and starting burying the weapons. I tried to turn off the supply, but having pled to turn it on, clearly, I was discredited. But, essentially, the war against the Germans, as far as they were concerned, ended then. I heard rumors and believed, although I was never able to lay my hands on the documentation, that an order came out saying, "The war with the Germans is over. The conflict with the West is now beginning. Conduct yourselves accordingly." And they did. And from then on, our relations were much different. Arms length, including when I went to Belgrade as head of the American military mission, they were very formal and frigid. So that...that was the turning point.

I realized that when I got on the ground, and began to learn more about what was going on, that there were three separate conflicts, all overlaid. One was the war with the Nazis and their collaborators. And in each of the Yugoslav governments, or areas. The Germans had organized collaborationist forces. And in our area, they were the White Guard. And they fought under German command, and fought the partisans. And they were even more trouble to us than were the formal German units that we had to contend

with. So that the second conflict was their civil war with each other. Mihajlovic was royalist, essentially represented the Serbs. And Tito, by then, had built his partisan organization throughout Yugoslavia. And he was determined that he was going to install a Communist government. Which he did. And in which in various ways, we had predicted. Also in our area, it was obvious that they were...the partisans...at the end of the war were headed for Austria. They intended to annex the southern part of Austria. And to capture the port of Trieste, which we suspected was because the Russians wanted an outlet in the Mediterranean. And which ended up in a, which is covered pretty much in another chapter of the book on the problems at Trieste and our negotiations to get them out of Trieste, which we finally did. But these were essentially...the first was the war against the AXIS; the second was their civil war; and the third was the beginning of the Cold War. Which were going on simultaneously. And, depending on which plane, or level, people changed sides, were involved in different ways. And it was a far more complex sort of environment to try to understand what was going on. And to be effective. And certainly than I'd ever imagined or ever was briefed or told to expect.



What was your own impressions of Tito at the time?

FL: Tito, I was impressed...personally...as he was a great presence. He was...he had moved into Prince Paul's palace at the end of the war, which was a...really a very nice, beautifully appointed, small palace that he took over. There were victory parties there. He presided, I had the feeling, as though he were a Hapsburg prince. He was gracious. He was tough. In our negotiations over Trieste, he was very tough. And I detailed those

negotiations in the book. He was, as senior people often are, when we had had disagreements, he would be soft and, "Well, we'll work that out." And it was the "good cop, bad cop" sort of thing. And then the people we really had to deal with would behave very badly. Our planes were stolen. We had...really, it was the beginning of the difficult relations of the Cold War. When the War ended, I think it was probably two or three days after the Europeans surrendered, I was called to the office of General [] Uvanovic, who was commander of the...or chief of staff of the now-Yugoslav army, what had been the partisans. And very brusquely, he ordered me to close up our military mission and get out. I said to him that I would like to recall both the contributions that the partisans had made to the War, which had been substantial, and, also, the contributions of the British and Americans had made to the partisan effort. We had evacuated from plowed fields at night in C-47s, wounded partisans. I think, my recollection...I think I have the number in the book—two or three thousand wounded partisans were sent to hospitals in...military hospitals in Italy. And I went through what I thought was our side and support, as well as give credit to the partisans for what they had done. And his only reply was, "It was your duty to..."

Tape 1 (Side B)

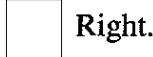
FL: "...and we were under no obligation to thank you for it." I can't remember his exact words. Then, shortly after that, the head of the just-constituted Air Force, Yugoslav Air Force, that had been supplied by the Russians and trained by the Russians, issued an order that no Allied aircraft would fly over the area without having been formally approved two

days in advance. Otherwise, they'd be shot down. And I told him that I would communicate that, but I thought it would be extremely unwise on his part to issue such an order until he'd had a response from Allied force headquarters. And which came after a few days. And was modified to some degree. But it was still...we had to file for permission to come in. This is having flown over the area...supplied it for two or three years. Medical supplies, with ammunition, with food. A whole range of supplies. And American supplies were coming in...beginning to come in through UNRA [United Nations Relief Agency]. And it was clearly a very confrontational sort of issue. Tito would then sort of apologize for this. But it would continue to go on. And then, of course, the real conflict developed over Trieste. And their demand both for Trieste and for a piece of Austria, which we, of course, opposed.

Well, should we go on to your efforts then...you were with the Marshall Plan for a while? After the War?

FL: Yes. I had been, first of all, at the UN as assistant to Bernard Baruch for atomic energy negotiations. I had gone to Harvard with the thought of getting an advanced degree, and I found being a graduate student pretty damned hard. And so I got an invitation to join the US delegation to the UN on the atomic energy negotiations, which I did. And spent about, I guess, nine months of this. This, obviously, was a non-starter. The Russians were having none of it. And Baruch decided that this is not going to go anywhere, and decided he would bow out and resign. I continued on other negotiations for a while. But then joined the staff of Christian Herter, who was then a Congressman

from Massachusetts, later, Secretary of State. Herter was a member of...was a junior member of the House. He was a member of the...I never am sure I have it right...Foreign Affairs or Foreign Relations—I keep...I'm not sure which is which—the House foreign committee. He concluded that the Marshall Plan would...if it were...if the legislation went through the Foreign Affairs Committee of the House, it would never be approved by the House, because the Foreign Affairs Committee was regarded by the heavies in the House as being a bunch of "international do-gooders." And so he proposed...got a rule through, creating a select committee, of which he became the vice chairman, and, for all practical purposes, the chairman. He put on the committee of...I think there were 17 or 18 members. Two thirds of them, at least, were Isolationists, many Republicans, as well as Democrats. And we took the committee to Europe for six weeks to two months. They toured the whole areas. They became convinced that the Marshall Plan was an essential US national interest. Came back. Wrote a report. And all but one of the committee, including all of these hard-line Isolationists...all but one voted for the committee, and George Mahon, a Texas Democrat, who was later head of the Armed Services Committee, told me afterwards that if it had not been for Chris Herter's committee, he doubted and believed that the Marshall Plan legislation would have never passed the House. And I've always said that Herter never received the credit he was due for that.



FL: Now this is...I don't know whether you want me to ramble on on this sort of thing, or not....

No. That's fine. I think that's very useful to hear that.

FL: And I then went to Europe as one of the three people opening the Marshall Plan office in Paris with the intention of staying on for the duration. I was working for Dick Bissell at the time, who was then Deputy Director, and, for all practical purposes, the real driving force behind the American Marshall Plan. And you know who I'm talking about. He later came to the Agency.

Sure.

FL: And then I received a message from Frank Wisner, saying he was in Washington, and doing some very interesting things, or starting. Would I come and see him when I was next in Washington, which I was back and forth from Paris to Washington. So I came to see him the next time I was in Washington. He told me that he was organizing OPC. And would I join as one of his senior people? And I wasn't sure that I wanted to do that. I went back and talked to Averill Harriman, for whom I was then working. And, I think, Averill was very much convinced that the Cold War was coming on, as I was beginning to be. And that I was far...it was far more important that I use my previous background in dealing with Eastern Europe in OPC than staying on. As he said, "Other people can do your job in the Marshall Plan." But he strongly felt I should come to accept Frank Wisner's offer. So that's what brought me here.

Then what did you start in on?

FL: Well, we started from scratch. There were only about three or four people then in the office. And he designated me as head of operations, whatever operations was. One of the things I should say is that he had been told...had asked, and been told...that he would not be required to do anything serious, or take on any serious operations, and given three years to organize and develop his organization. Well, almost immediately, we were overwhelmed with things to do, both the Nationalists were on the verge of being defeated in China. The elections in France and Italy were coming up, and great fear that the Communists would win these elections—particularly in Italy. And we began operating with practically nobody, including sending one man to Italy. We used counterpart funds from the Marshall Plan. And, I guess, I was horrified when I later heard this story that this man who hadn't received any training at all was told to deliver a satchel full of money, the equivalent of a few million dollars, to the head of the Christian Democratic Party, or one of his representatives. He picked the head of the Spanish steps in Rome as the place....

Nice, secluded area. Yes?

FL: Yes. And apparently in full view of everybody, transferred a satchel full of money to the representative of the party. It was that sort of a first type of operation that...putting out fires here and there. And we gradually built an organization. I guess, in reflecting about coming down here, the thing that I think in retrospect is most important, was that

the Cold War had begun. [] long telegram had been received in Washington. We had had the experience of dealing with Gromyko at the UN, and his absolute rejection of any form of international control of atomic energy. The troubles we had had in Germany, the division of Germany, the organization of the East German Communist government. This was a time where every bit of the atmosphere was that war, and you may have....Were you involved at that time?

Well, I came in in '48. So, yes, we did experience that.

FL: Do you remember NSC-68?

Yeah.

FL: And all its purple prose?

Yeah.

FL: It....there were two things that happened, in addition to that, that I think in retrospect are important. One was that people in government knew of what OSS had done during the War in "covert operations," and presumed that that sort of thing could be done in peace time. And we, in turn, having had wartime experience of doing these things under war conditions, accepted uncritically these assignments, without really realizing that the total environment was quite different. And, well, for example, Curtis LeMay, then

Commander of SAC, had demanded that we establish escape lines all the way from Russia to the West to get his airmen out if war came. And I had taken the position that that was impossible. That you couldn't create an underground and expect it to...to put it on standby. And I went out to see him and finally convinced him that that was not in the cards. But it was a transference of the wartime mentality, both on the part of the government in thinking up things that they wanted us to do, and, in our own response, which was not sufficiently critical of... the whole political environment had quite changed. We no longer had complete physical control as we did in wartime, and to do the things that we were doing. And, furthermore, if anything blew up in wartime, well, that was one of the casualties of war. But if an operation blew up in the post-War period, that was a major diplomatic incident, or a world propaganda incident. And, to me, this was....We did not in our thinking...and we, I mean, the White House on down and those of us in OPC who were supposed to carry out some of these things...we did not make the shift in our whole outlook. And we continued to try to do those things that worked well in wartime, but did not in peace time. I don't know if you agree with that?

Yes, I sure would. Although I'm not too familiar with it, because I've spent most of my time in the analytic side.

FL: In what?

In the Directorate of Intelligence side. I was in ORE before it changed.

FL: Yeah.

And then, after that, in Current Intelligence. So that I didn't get into the operational side of the house, too much.

FL: Yeah.

But, I think that's a good way of putting it, that we were asked to do too much.

FL: And we didn't have the sense to say "no." And I think one of the other things I would say....One operation that, I think, went quite well was after Tito broke...was thrown out of the Cominform, the Elevs Bebler (phonetic), who had been secretary of the Slovene Communist Party, and a man I had known in the forest, a man who'd fought in Spain, and was a very well-educated and one of the few members of the Party that I felt I could have a full, open discussion of anything. And became really a good friend during the partisan days. He arrived in the UN as head of the Yugoslav delegation. And, because of his background and with State Department approval, I went to see him as soon as the break [Tito's break with Moscow] had occurred. And, obviously, tried to learn anything I could about it. But more to say, "What can we do to support Yugoslav independence?"

Yeah.

FL: He sent a message off to Tito, got his reply, was that he desperately needed weapons, but he could not accept them, dare not accept them, because this would give Stalin the excuse to attack. And, at that time, the Warsaw Pact armies were really all drawn up along the frontier, and I think it was a very close call. And you may know...may have been involved and know far more than I, but I thought it was a very close call as to whether or not they were going to attack.

I agree with that, yeah.

FL: Later, a book by one of the Hungarians, who had been commander of this Hungarian front that developed, said he was convinced that the reason Stalin didn't attack was because of our response in Korea. And that this had convinced Stalin that we would do the same. Now we did send then a shipment of arms, or a series...I think, five ship loads of arms, out of Philadelphia to Dalmatian ports, clandestinely. And, after those were received, and finally Tito felt strong enough, the government negotiated an open economic and weapons military support for Yugoslavia. I have always regarded this, as I said at lunch today to some people, that I thought this was a prototype, a model, of what I would call a good and politically-acceptable covert operation. The President of the United States had made open statements that we were strongly opposed to any Soviet attack against Yugoslavia. What we were doing was completely consistent with US open foreign policy. It was not, as so many of the operations in those days were, you know, "You guys do this on the cheap, and don't tell anybody," which were inconsistent with US open policy. And I've always...I suggested today, and I think there was some sort of

acceptance of this that this ought to be one of the criteria for judging, taking on, a major covert operation. Is it consistent with open US policy? And if it blows, can you then say, "We've said this was our policy all along." That the purpose of clandestine operations is to maintain privacy of operations, not...by privacy, I mean, certain things have to be done privately, but they ought to be consistent with what we publicly say is our national policy. And I think we made the mistake in accepting far too many assignments, and that some of them blew up in our face, such as the National Student Association—although that started in a very minor way. My recollection is, and I think I'm roughly right, but one of the people...remember the American Veterans Committee?

[] Yeah. Cord Meyer was in that...

FL: Which was...yeah, a very sort of liberal international organization, as opposed to the American Legion and that sort of thing, which was regarded and appeared more as a lobbyist for veterans than anything else. There was...the Soviets, or the Russians were using...their political warfare in Europe was organizing student meetings, world student associations, world lawyers for peace, and a whole series of political fronts. Well, anyhow, this fellow called me one day, and he said he was going off to, I think it was Stockholm, where the Soviets had a major meeting. He had fought the Communists within the American Veterans Committee, and had won, and, therefore, as [] who had...and [] who'd fought them in the unions, had learned how to do it. And he said, "We know what to do. All we need is the money to buy plane tickets, and for hotel rooms." And, it seemed to me this was a very useful thing to do. People who

knew better than I how to do it. So we provided him the money to do it. But that's all. We gave no guidance. We gave no direction. They were not agents. They were guys who, on their own, knew what to do. And so we paid the plane tickets. Well, the bureaucracy--I'd long since gone—took over, and I guess sort of snowballed. And finally blew up.



I was going to ask you, did you...were you involved in the Albanian uprising?

FL: Yes.



I mention it because I was in ORE, in their so-called General Division, which processed special intelligence traffic. And these people were waiting there on the beach for our people to come in. So they obviously had known something about it, beforehand.

FL: Yes.



And I'm told it was really a question of Philby coming into the world.

FL: Yeah. This has always been the charge, that Philby...and I...we discussed this this morning. I will argue the opposite. I think that Philby as an asset for the Soviet services was so damned important that I can't conceive of them taking information generated by Philby, although Philby here in the Embassy...this was a joint operation with him. He was fully aware of everything. But I cannot imagine that people in Moscow would say,

"We're going to pass this information from Philby on to these guys in Albania so they can meet a landing party." Why would anybody in his right mind risk an asset such as Philby for that purpose? I think more than we had penetrations into the Albanians we were training. And that was the way the information got to them.

Yeah. Yeah. Well, you have the example of George Blake sitting on the Berlin Tunnel []], and yet they let it run for over a year. So they....

FL: They were probably using it for deception, I suppose.

Well, they couldn't...we could never have proved that. Anyway, I think that's interesting. Well, what was the thinking behind that operation? Was it to eventually...?

FL: The Albanian?

Yeah.

FL: You remember at that time the Greek civil war was going on?

Right.

FL: And the principal factor at that time was the Communist resistance, or the Greek Communists were...who controlled the northern part of Greece, would use the border, cross the border into Bulgaria, and across into Albania, and, so some degree, into Macedonia under Tito, as safe areas in which to retreat, train, and so forth. And one of the questions, what can we do to frustrate that because the Greek civil war was then going on intensively? The second was, I think, control the Straits of Toronto, and, I guess, the Soviets had installed guns that were able to control the Straits. There was concern about the Soviets using it as a Naval base for submarines in the Mediterranean.

Yeah.

FL: And the operation was first conceived as a probing operation to see whether or not there was a basis for a resistance organization there. The British had had their people there, and they'd been much more active than OSS had been in Albania during the War. And we got involved; set up the Albanian liberation front, or whatever it was called. But the actual operation was training in an old fort in Malta. And the objective really was, one, an exploratory operation. They were to go in, try to make contact, try to figure out what was going on, and then to go out through Greece. And some of them survived to go out, and reported that there was no such opportunity. The State Department had a little bit different slant on it. One of our people in the Policy Planning Staff with our liaison, Bob Joyce, a Foreign Services Officer, who had been in OSS. And I was talking to Bob about it, and we were...and he said...I guess I was probing as to, "Well, what do you want to get out of this?" He said, in effect, "We want resistance organized, but keep it on

the back burner. And then we want to be able to call it forth later on or subsequently, if we ever want it." I remember saying to Bob, "You can't organize resistance that way, and tell people who're risking their necks, and operating not for US interests but for their own national interests, to go ahead and organize, resist, and not do anything until we tell them to."



Yeah.

FL: And that that's not in the cards. But I do remember strongly his phrase, "Put it on the back burner, but keep it there. Keep it simmering." And, well, you know what happened.



Yeah. Now, are there any other operations that come to mind that...how did the French thing work? Did we do much there?

FL: Not a great deal. It was primarily through [redacted] who was a very effective operator. He...we supported that through [redacted] I think. My recollection. But [redacted] was a one-man political operator, and extremely effective. And in organizing the opposition to the Communist-led unions. I had really concentrated less on Western Europe....

Tape 2



Okay, we're back in business.

FL: All right.



We were finishing up on [redacted] having good success with the French trade unions, some of them. And that helped swing the election against the Communists, presumably, for their people. Now, are there any other operations that come to mind that were good or bad? Or would have lessons for the future?

FL: I suppose the early Chinese activities, the very early ones. This is a time when the Nationalists were not yet beaten, but were about to be beaten. The Communists were increasingly taking over. And, again, there were calls from State and, I guess, the NSC, but, certainly from State, to do something. But, of course, there wasn't much we could do. But I did send one of the people who'd been in OSS to China, with a fair amount of money, with the thought that what was happening is the Chinese Communists were—at least this is my recollection—were various Nationalist area warlords, if that's the right term, who, one after the other, were being picked off and suddenly reversing themselves, and going over to the Communists, without a fight. And the only thing, I think, that we could think of to do was send this man to China. He'd been in China in OSS. He was not an old-China hand in the political sense, but he'd operated there. To go to some of these warlords, and, essentially, try to buy them, give them money to hold, and not all of a sudden flip as they were doing during this period, which you probably recall, better than I. And I can't recall, and I don't know what the files would show, as who went....The only

thing I remember is the commander of Hainan Island. I had hopes of somehow stabilizing, retaining that, as an offshore base, not dissimilar to some of the other offshore bases. Furthermore, Hainan Island had major reserves of iron ore, and it seemed to me important to have that iron ore to support the rebuilding of the Japanese economy, since they did not have access to iron ore. So we attempted to provide monetary incentives to him, not to all of a sudden go over. And what happened? I don't know. Other than he didn't...all of a sudden...the Chinese had not organized a water invasion, but all of a sudden, he flipped and sold out. If you want to use that term. Anyhow.

Yeah.

FL: And that's about...these are my sort of recollections of what we did. Later on, we divided into, as you know, into geographical organizations. And I, therefore, was less involved or not involved at all.

Well, you wound up...Eastern Europe...

FL: Yes.

...became your area.

FL: Uh huh.



This was before the merger, of course, with FI people?

FL: Yes.



Now who was running the ops behind the Curtain at that time?

FL: Well, mostly they were going out of Germany. We had the Congress of Cultural Freedom activity that was going on. The actual operations?



Well, the air drops, say, into the Ukraine were not very successful.

FL: No.



As I understand.

FL: No. And we were working with NTS, the Russian organization.



The Solidarity types, yeah.

FL: And the Polish organization.



They were all penetrated....

FL: They were all penetrated. And I remember, I began to be increasingly worried about what we were doing, and was this leading anywhere. And I spent, oh, I don't know, a month or two...I can't recall exactly where I was—various bases, and not only in Germany, but elsewhere where we were trying to mount operations, and from which we were trying to mount operations. I do recall, and this is just sort of an example of the sorts of things that began to impress on me what we couldn't do. There was a meeting with, I think it was the head of the NTS operation, who was then...was set up, I think in a village or outside a village in Bavaria someplace, I can't remember. But I went, spent a day or two with him. He was a very interesting person. And I can't recall the whole conversation by any means, but I, at one point, said to him, "Imagine you have the perfect agent in place in an important place in the Soviet Union. He's to sort of...has natural abilities as a real art. Just imagine the best possible man you can think of. Personal characteristics. Intelligence. Imagine that he is adequately documented, in place where he can move around. Essentially, everything you could wish for. How long before he could feel confident enough to recruit the first person into his resistance cell?" And his reply, if I've...which made such an impression...I think my memory's probably reasonably correct. He said, "Something like six months." That he would have to be working side-by-side somebody on a daily basis to know him well enough to be confident that he could begin to build his organization. And I then said, "Well, now, assume that he does this. And he's built a cell of ten people. What do you think the probability that he's already picked up one penetration, among those ten people?" And he said, "Fifty percent." And I guess that was sort of the break point. I'd been building to this, and thinking about it. But I think probably this was such an...and this was from a fellow who

was promoting and leading a group that was trying to do this. And this, I guess, sort of caused the crystallization, and all the things that were beginning to worry me.

[] Well, now, according to the little bio that I have, you actually wrote a fairly strong piece, warning that the plan for a rollback "of Communists in Eastern Europe wasn't going to work too well."

FL: Well, I don't know what ever happened to it, but the story...I wrote such a memorandum. I guess it must have been five or ten pages—maybe more. Essentially saying at this time, and these conditions in Russia, and our limited capabilities, and the fact it is not a wartime situation, I don't think this is on. Allen Dulles had just arrived from New York and became Deputy Director for Operations, I think. I've forgotten.

[] Yeah.

FL: Well, Allen had been an old friend for a long time. And I had been in another part of some of his operations, although I didn't know it at the time, when I was in Croatia, and in Belgrade. So I...it was at the time that the Eisenhower Administration was coming in. It was a time when Foster Dulles, his brother, had been making speeches about rolling back the Iron Curtain. And so, I thought that a memorandum ought to go to the NSC with sort of, "This is our experience. What we've learned up to now." And I can't remember, it was so long ago, what I...how diplomatic I was, or not diplomatic. But, anyhow, I was trying to convey, "Think this over before you push it too far." And I remember going and

spending a Saturday morning with Allen. And he went over it, line-by-line. And every once in a while, he'd explode with, "Frank, you can't say that." And then we'd fight over the wording of that. And I probably compromised more than I should have. And, I guess, we finally finished the memorandum, and it was up to him as to what he was going to do with the memorandum. I don't know whether he ever sent it to the White House. The only thing that's been found in the Eisenhower papers is a memorandum that I wrote to [redacted] in which I put in a paragraph which, very briefly, summarized what was in this long memorandum to Allen.

[redacted] was the NSC back then, wasn't he?

FL: Yes.

[redacted] Yeah.

FL: Which confirmed, at least to my own satisfaction, that I, in fact, had written such a memorandum. Even though I couldn't find the damned thing. But, as I say, it may perfectly...it may have been that Allen just said, "To hell with that," and threw it into the waste basket. Or it may have gone to [redacted] And I think [redacted] who was probably...who was a very aggressive, gung-ho person, probably would have rejected it, too.

[redacted] Yeah.

FL: But if you ever find it, I would be most grateful. I'd be fascinated to see it.



Well, I'll see what I can do, Frank. I haven't seen it so far, but there's a lot of stuff I haven't seen. So, you know.



FL: Anyhow, it was in Allen's hands the last I saw of it.



Okay.



FL: And I'm almost certain I showed it to Frank Wisner. I clearly should have, and I must have shown it to him. And I have no recollection...I have slight recollection that he agreed and said it should go on to Allen. But that is a dim recollection.



Well, then you left in 1953, I gather?



FL: Yes.



Was it for any particular reason?



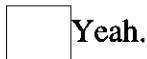
FL: I guess this is part of the reason. I don't think it's the only reason. I think probably a part of it was that I had been involved in foreign affairs during the wartime, the Marshall Plan, the UN. I considered going into the Foreign Service, and decided not to. Then,

when I was offered...Ron Gaylor urged me to come to the Ford Foundation, I had said I would like to work on domestic problems, because I'd been out of touch for so long. I'd been involved in foreign affairs. And so that's what I did at the Ford Foundation. And that lasted about between three and four years, I guess. I realized very soon after I was there that I'd made a great mistake. Giving away other people's money was not anything that I particularly enjoyed. Then I joined the management firm of McKenzie. And that after four years or so to becoming the head of a small scientific company in the Boston area that was about to go bankrupt. It was financed by Laurence Rockefeller. And so I was importuned, or induced, or whatever, or volunteered...no, I didn't volunteer, but would I take over. Well, it turned out to be...we had the group of people who developed the CORONA satellite system, which was one of the great technical successes of CIA. But that was only part of the company's activities. By that time, it actually had reached the level...we were number 500 on the Fortune 500 list of largest corporations. For a company who was about six or seven years old. And I stayed in that until I retired. But I was involved strongly in the Committee for Economic Development for many years. I was chairman of the policy committee. Then, beginning in 1991, got intrigued again, and re-attracted to Ukraine, where I've been commuting, more or less. My wife and I have an apartment in Ukraine. And I was fascinated by the problems of conversion, how do they recover from 50 years of Communism, primarily the economic matters.



Yeah.

FL: Having run a company that was half Defense, half non-Defense, I had reached the conclusion that it was impossible to convert a Defense company, or a division of a...a Defense division of a larger company, to a commercial business. That the culture to adjust, too damned different. And I had this same feeling as the Ukrainians of, "We want to convert our tank plant to manufacturing tractors." Well, hell, technically, you can do it, but it's the management philosophy, and particularly with Communism, was this deep imprint of 50 years of Communist culture. This is the hardest thing. How do you change people's attitudes to recognize that your customer is the one you have to satisfy. You have to make a better tractor, or a better harvester, than your competitor. You have to service it. You have to earn your way with the quality of your product, and the quality of your...which, of course, this is so contrary to Soviet philosophy. You've got your promotions, your Brownie points, on completing your quota, completing your plan, whether...having it ready to be shipped. You were told where to ship it. You never saw it again. You had no responsibility. The only thing you had to do was, whether it was a piece of junk or not is, deliver it ready for shipment. And then the central planners told you where to ship it, and you never heard about it again. And I tried, not very successfully, to convince them that this sort of culture...the transition to a market-oriented economy would be extremely difficult, and still believe it.



FL: And I'm still working on a plan which I am going to try for the last time with their national security council to try to get them to do what we did during the Marshall Plan.

To get the European countries to work with each other in supporting their own recovery. They all think of...the view of the Marshall Plan, mostly, it was American dollars that...and the unknown part of the Marshall Plan, the unrecognized, is that we got them to set up a system which we essentially engineered and sold to them, which would mean that France would provide the food. Germany would provide the equipment. They were to pool their resources. And this was a way to pool their resources without putting in Marshall Plan money to bootstrap their own post-War recovery. So. This is way off your point. But, something I'm still trying to work on.

Good. Let me just ask a couple of things. Were you still here when the East German riots took place in '53?

FL: Yes. I think I was.

Did you, was there any back and forth on what should be done? Any support that should be given?

FL: I'm awfully vague on that. I'm not sure.

That's okay. Now, well, of course, you were gone when the Hungarian revolution....

FL: Yes.

But, do you have any thoughts about that? What we did, I guess, was proper. We didn't try to intervene there. Yet, it was hard on some people to....

FL: It was very hard on Frank Wisner.

Exactly. Yeah.

FL: Well, I wrote an article for the *New Leader* which was later reprinted in *Life* magazine, in which I, in sort of a daydream, was saying, "Suppose, instead of doing nothing, the UN had told the Russians, 'We are sending a UN Mission, and, with an international military component, to Budapest, to supervise what's going on under the name of the UN.'" I can't remember much about...little more detail than that. And put the Russians in the position of having to attack a UN flag, and a UN economy. Well, that was, you know, one of those hopeless sorts of things that one thinks about. No, I thought it was a very sad time for Frank.

Yeah. He, I guess, never really completely got over that. I didn't know him beforehand. So, when I knew him, you know, he'd been through it. But he was still a very effective COS in London, I must say, as far as I could tell. One thing about him was, there was no one that ever came through town that amounted to anything, that didn't either stay with them, or have dinner with them.

FL: Oh, yes.



Polly would....

FL: Because you'd go to dinner, Polly...there'd be three Supreme Court judges, two four-star generals, and...she was a real collector.



Yeah. Yeah. I remember the first day I was there. She came in, and she had a speech she was going to give to some British outfit, as part of the women's, some activity. And she said, "Would you look at this?" I said, "Yes, I will." I didn't care to make any changes in it.

FL: I remember going into Frank's office one day when we were down on the Reflection Pool. And I don't know, I had to see him on something, and I walked into his office. He was on the phone to Polly. And he was saying, "Yes, Polly. No, Polly." Obviously bored with...and she was going after him about something. Finally, in exasperation, he said, "Polly, I don't know where General Smith wants his cow manure delivered!"



Well, I remember...of course, they were very proud of Frank, Jr. But I remember him telling me a story about his son going in for his orals. And, I guess, Frank knew somebody on the board. Because afterward this friend told him, he said, "One of my colleagues said, 'My God, they sent us another Wisner.'" So he did...and, you know, he did very well.

FL: Frank used to...when he was an undergraduate at Princeton, come and park his girls with us on the weekends, and we saw Frank, Sr., occasionally then. And I followed Frank. I was sorry to see him leave the Government.



Yes. Yes. And he had so many good postings, too.

FL: Yes.



India and....

FL: Defense, and then India, and North Africa.



Yeah, he was down in North Africa, I think, when I was in London. []

FL: What happened to ? Is he still around?



I don't know.

FL: I lost track of that.



Well, anyway, I think we could call a halt to our proceedings here. And I just want to tell you I appreciate it very much.

FL: Good. There's one question I had...I had run across references in books to an OSS history that includes Yugoslavia, and I've seen some quotes about my operations. And I've never known where it was, and never found...if there's such a document around, and, I assume it's declassified, I never found it in the National Archives, where mostly OSS stuff....



Exactly. Yeah.

FL: But I'd be fascinated to see it.



I'll ask my superiors to look into it. The regular guys on the History Staff should be able to track it down. You know about Kermit Roosevelt's stuff?

FL: Yeah.



He's written []. Yeah. There's a short piece on Yugoslavia in there, in the second book, the second volume.

FL: I don't think this was in Kermit's history. This sounded like...



What you're talking about is something else.

FL: It's a subsequent history.

Yeah. Right. Okay, I'll see what I can do on that.

FL: But I would be...I don't want to put you to a lot of unusual work, but I would be fascinated to see it. If nothing else, if my memory holds out.

Well, I think it is, from my point of view. Well, I'll just shut this off, and we'll go find our colleague.

8/4/00

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